

MINUTES
PORT OF SIUSLAW COMMISSION
REGULAR MEETING
Wednesday, 21 April 2010

In the absence of Commission President Greene, 1st VP Saulsgiver called the Regular Meeting of the Port of Siuslaw Board of Commissioners to order at 7:00 p.m. in the Port office conference room located at 1499 Bay Street, Florence, Lane County, Oregon.

ATTENDANCE: Commission: Commissioner Bud Saulsgiver (Saulsgiver); Commissioner John Scott (Scott), Commissioner John Buchanan (Buchanan); Commissioner Sally Owens (Owens); Absent: Commissioner Joshua Greene (Greene), Staff: Port Manager Mark Freeman (Freeman), Recording Secretary Dina McClure (McClure). Audience: Brien Mill, Robert Thorp, Dave Donaldson, Ron Wilder, Ryan Cronk of the Siuslaw News, Alan Campbell of Campbell Productions.

MINUTES: On the MOTION made by Scott, seconded by Buchanan, the Minutes of 17 March, 2010, were approved as submitted.

REMARKS FROM CITIZENS/GROUPS: None.

Financials: Scott noted that the Custom Check Report would from now on include checks from the first to the end of each month. **On the Motion, made by Scott, seconded by Buchanan, the Board unanimously voted to ratify payment of bills listed in the amount of \$28,638.99 for dates March 11-31.**

OLD BUSINESS:

1) Fireworks Ban: Scott stated the fireworks issue has been set back to June 7 and a representative from the Port needs to attend that meeting and reiterate that we are all in agreement to enforce the ban on Port property regardless of what the City decides. Buchanan said the Council is getting a lot of negative feedback in regards to the ban in Old Town. Scott said comments were all positive last year when they patrolled the Port property on the 4th.

NEW BUSINESS:

1) Appoint New Budget Committee Member: On the motion made by Buchanan, seconded by Scott, the Board unanimously voted to accept Bob Thorp as a member of the Budget Committee with a term that expires 2013.

2) Discussion of Dockside Seafood Business, Mike Babcock: Mike, a resident of Lakeside, introduced himself and said he had two ideas to share, along with example drawings. For many years he has come to Florence and is very impressed with Old Town and thinks these projects will enhance the area and bring more tourists. He has a similar, but smaller project about to open on the docks in Coos Bay.

Idea #1 constitutes a floating fish market attached to the docks, between the gangways, and on the east side of Thomsons. There would be a larger building with a kitchen selling fresh seafood, chowder, fish and chips, etc. Additional, smaller "pods", would be hinged next to one another, each representing a specific seafood species (one dedicated to crab, one to clams, one to salmon, etc.). Each pod would include educational material on the walls describing the life cycle of that species, a sitting area to eat, and gift items for sale. If the Port agrees to this project, construction would take place this winter and open summer 2011. Scott asked Freeman about the water depth

in that area. Freeman said there were some wood obstructions close to Thomsons but the water got deeper down toward the far ramp. Buchanan and Scott both agreed it was a good idea. Owens asked how the facility in Coos Bay compares to this project. Babcock said Coos Bay is a one building floating market that is a fish processing house. Babcock wanted tourists to be able to view the fish processing from the upper boardwalk but a few individuals from the City were concerned about fish smell. Ron Wilder, from the audience, agreed the project is a good idea but asked how this would affect local fisherman selling fish from their boats. Babcock said the intent is not to compete but to add to what is going on. The fish being sold will be fillets on ice in a case, not the whole fish off the boat. There might be a small impact but he hopes the operation will complement the locals. He has heard complaints about people coming to Florence to buy fresh fish and go to Thomsons and it's closed. Buchanan asked about the liability on the docks and if we would need to put up railings. Babcock said other places with similar projects don't put up railings and he has not heard of any bad incidents happening. Saulsgiver mentioned a small fish and chips operation in Victoria with a small pod next door selling fresh fish that cost \$5K to start up. After 10 years it sold for \$2.2M. Babcock said, for the record, this project is going to cost a minimum of \$100K. They have put over \$60K into the project in Coos Bay and it is only a 17 x 30 building with a full kitchen. Buchanan said they are all in agreement on the concept and what does Babcock need to move forward? Babcock wants to work out lease terms. Scott and Buchanan agreed Freeman could work out the terms with Babcock. Scott asked if Babcock would purchase his seafood from local fisherman? Babcock said yes, they are commercial fish buyers and plan to use the hoist and ice here at the Port. His partner is also a commercial fisherman. Babcock asked about sewer access for restrooms and a close location on land where they could build the pods. When the buildings are finished, they'd contract a crane to put the pods in the water and start paying on the lease. Scott said the Harbor St. parking lot would be available after the sport salmon season ends. Saulsgiver said that would be mid to late October.

Idea #2 is the possibility of a seafood processing plant similar to the Tillamook and Bandon Cheese Factories where visitors could not only sample the food but watch it being processed. Babcock wants property on the Bay Front where he could build a micro-cannery that would sit out over the water. He has a cannery in downtown Coos Bay, opening July 1st, but it does not have public viewing. Fisherman are already contacting him to sell fish. He knows someone interested in the public viewing cannery on the Newport Bay Front. Wherever it goes, it will draw tourists and more fishermen. Wilder, from the audience, asked how big a facility he would need. Babcock answered it depends on refrigeration equipment but approximately 60 x 60 square feet. Babcock asked about the property next to Coffee Roasters. Scott said the City is negotiating with the owner to make it into a park but there are other possibilities around. Babcock stated he is a willing investor but if there is resistance, he is not interested in fighting for it. He wants to go where he is welcome and business can move forward. He sees opportunity in Florence and would like to see his project happen here. In Coos Bay he is working with the City on having all utilities up to code and has hired a contractor to engineer the system. Scott asked what kind of floatation is he considering? Babcock said the Coos Bay project has concrete floats and they are stable. Thomsons are using plastic floats and he is looking into that possibility but feels they are more tipsy. Babcock said Tyson

is using a galvanized truss system where they bolt the floats below for stability. Owens asked about dealing with DSL. Scott said there shouldn't be any interference since we have a commercial marina. Babcock said they had to sub lease from the City of Coos Bay who leases from DSL and that required them to carry \$4M in insurance, matching the City's insurance requirement, under a new government rule. Scott said in the event there was any future development on the boardwalk, the Port would not want the height of Babcock's buildings to interfere. Babcock confirmed the buildings would be standard one story height. The Commissioners thanked Babcock for his presentation.

REPORTS: Freeman reviewed the threat to stop all dredging at the Port of Siuslaw that occurred with the State of Oregon, through ODFW and DLCDC. Every year the same offshore dredge material disposal site, that has been run by the EPA since 1929, has been used. It's been tested repeatedly and had just completed a two year and \$385K study. Two ODFW biologists, with no scientific basis or specified set of reasons, wanted to start the whole process over with more testing and that would have shut down dredging. Thankfully the Governor's office, Defazio, Wyden and Merkley's staff, and those who have public safety, economic, and environmental concerns prevailed and were able to find a solution. Last Wednesday the appropriate paperwork was issued and the dredging will commence this summer in the Turning Basin and later at the mouth of the river. He hopes this positive outcome will help other Ports deal with the State as well as the Federal government. He is happy with the EPA and COE efforts that made this happen. The Commissioners thanked Freeman for his hard work dealing with this situation. Scott added the shutdown of dredging would have hurt the Coast Guard operations. Freeman said every year it is a public safety issue for the fishermen and the Coast Guard personnel and he is relieved it was positively resolved.

Scott asked if there was an update on the Enterprise Zone and Freeman said it was still in process.

ADJOURNMENT: Saulsgiver adjourned the meeting at 7:46pm.

President